

Exhibit 3



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-3000

OFFICE OF ADMINISTRATION

MAR 22 2007

Mr. Matthew Colangelo
NAACP Legal Defense
and Educational Fund, Inc.
National Office
99 Hudson Street, Suite 1600
New York, NY 10013-2815

RE: Freedom of Information Act Request
FOIA Control No.: FI-462920

Dear Mr. Colangelo:

This letter acknowledges the Department of Housing and Urban Development's receipt of your Freedom of Information Act (FOIA) request dated March 19, 2007. Your request was received in the Department's FOIA Office on March 21, 2007.

Pursuant to the FOIA, 5 USC 552(a)(6)(A)(i), once HUD properly receives a FOIA request, the Department has 20 working days within which to make a determination on the request unless unusual circumstances exist. Under unusual circumstances, such as an agency's backlog, or the need to examine a voluminous amount of records required by the request, HUD can extend the 20-day time limit for processing a request. As of March 19, 2007, HUD's FOIA Office had 420 open FOIA requests. Based upon HUD's experience and current inventory, it is estimated that it may take approximately 60 days to complete processing of your request.

HUD's policy is to process FOIA requests using "multi-track processing," which allows the Department to process FOIA requests on a first-in/first-out basis, within each track. HUD places FOIA requests in its routine or complex track based on the amount of work and time involved in processing the request. The criteria for assignment to a specific track are found in HUD's FOIA regulations, 24 CFR 15 §105(a), which were published in the Federal Register on January 22, 2001, at 66 FR 6964. Your request is being processed on the complex track. You may consult with the HUD FOIA Specialist handling your request in order to determine whether your request can be modified and transferred to the routine track. Please note that upon further evaluation of your request, you may be notified that your request has been transferred to another track.

The Department will comply with your request to the extent permissible by law. Any records not subject to an exemption will be forwarded to you promptly upon the completion of HUD's search and review process. Your request has been assigned to Ms. Katherine Spence for processing. If you have any questions regarding your request, please contact Ms. Spence at (202) 402-4816.

Thank you for your interest in the Department's programs and policies.

Sincerely,

A handwritten signature in cursive script, reading "Cynthia A. O'Connor".

Cynthia A. O'Connor
Executive Secretary